



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-876]

#### **Welded Line Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2018-2019**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) finds that the producers/exporters subject to this administrative review did not make sales of subject merchandise at less than normal value during the period of review (POR) December 1, 2018, through November 30, 2019.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** David Goldberger or Adam Simons, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-6172, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

This review covers 30 producers/exporters of the subject merchandise. Commerce selected two companies, NEXTEEL Co., Ltd. (NEXTEEL) and SeAH Steel Corporation (SeAH), for individual examination.<sup>1</sup> The producers/exporters not selected for individual examination are listed in Appendix II.

On April 20, 2021, Commerce published the *Preliminary Results* and invited parties to comment on the *Preliminary Results*.<sup>2</sup> On May 20, 2021, we received case briefs from the

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<sup>1</sup> See Memorandum, “2018-2019 Antidumping Duty Administrative Review of Welded Line Pipe from the Republic of Korea: Respondent Selection,” dated March 2, 2020.

<sup>2</sup> See *Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2018-2019*, 86 FR 20484, 20486 (April 20, 2021) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

Domestic Interested Parties,<sup>3</sup> NEXTEEL, and SeAH. On June 1, 2021, we received rebuttal briefs from the Domestic Interested Parties, NEXTEEL, SeAH, and Husteel Co., Ltd. On July 29, 2021, we postponed the final results to no later than October 15, 2021.<sup>4</sup> For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.<sup>5</sup>

#### Scope of the Order

The merchandise subject to the *Order* is welded line pipe.<sup>6</sup> The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in Appendix I to this notice and addressed in the Issues and Decision Memorandum. Interested parties can find a complete discussion of these issues and the corresponding recommendations in this public memorandum, which is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

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<sup>3</sup> The Domestic Interested Parties are California Steel Industries; Welspun Tubular LLC USA; Stupp Corporation; American Cast Iron Pipe Company; Maverick Tube Corporation; and IPSCO Tubulars Inc.

<sup>4</sup> See Memorandum, "Welded Line Pipe from the Republic of Korea: Extension of Time Limit for Final Results of 2018-2019 Antidumping Duty Administrative Review," dated July 29, 2021.

<sup>5</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2018-2019 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

<sup>6</sup> For a complete description of the scope of the order, see the Issues and Decision Memorandum; see also *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015) (*Order*).

## Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to the calculation of the preliminary weighted-average dumping margin for NEXTEEL.<sup>7</sup> These changes, however, did not result in a change to the weighted-average dumping margin calculated for NEXTEEL from the *Preliminary Results*.

## Final Results of the Review

As a result of this review, we determine the following weighted-average dumping margins for the period December 1, 2018, through November 30, 2019:

<b>Producer or Exporter</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
NEXTEEL Co., Ltd.	0.00
SeAH Steel Corporation	0.00
Companies Not Selected for Individual Review <sup>8</sup>	0.00

## Review-Specific Rate for Companies Not Selected for Individual Review

The dumping margins for the exporters/producers not selected for individual review are listed in Appendix II.

## Disclosure of Calculations

We intend to disclose the calculations performed for NEXTEEL in connection with these final results to interested parties within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b).

## Assessment Rates

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<sup>7</sup> See Issues and Decision Memorandum at 3. We made no changes to the calculation of SeAH's preliminary weighted-average dumping margin.

<sup>8</sup> Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually examined, excluding any margins that are zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." For these final results, we have calculated weighted-average dumping margins for NEXTEEL and SeAH that are zero or *de minimis*, and we have not calculated any margins which are not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly, we have assigned to the companies not individually examined a margin of zero percent. The exporters/producers subject to this review, but not selected for individual review, are listed in Appendix II.

Pursuant to section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), NEXTEEL reported the entered value of its U.S. sales such that we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. SeAH did not report actual entered value for all of its U.S. sales; in such instances, we calculated importer-specific per-unit duty assessment rates by aggregating the total amount of antidumping duties calculated for the examined sales and dividing this amount by the total quantity of those sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, because we are assigning these companies an assessment rate based on the deposit rate calculated for NEXTEEL and SeAH,<sup>9</sup> we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>10</sup>

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by NEXTEEL or SeAH for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate

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<sup>9</sup> See *supra* at n.11.

<sup>10</sup> See section 751(a)(2)(C) of the Act.

unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>11</sup>

Consistent with its recent notice,<sup>12</sup> Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be equal to the weighted-average dumping margin that is established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated or reviewed companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the cash deposit rate established for the most recently completed segment for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.<sup>13</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

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<sup>11</sup> See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

<sup>12</sup> See *Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings*, 86 FR 884 (January 15, 2021).

<sup>13</sup> See *Order*.

### Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

### Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

### Notification to Interested Parties

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: October 15, 2021.

Ryan Majerus,  
Deputy Assistant Secretary  
for Policy and Negotiations,  
Performing the Non-Exclusive Functions and Duties of The  
Assistant Secretary for Enforcement and Compliance.

## **Appendix I**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Margin Calculations
- IV. Discussion of the Issues
  - Comment 1: Existence of a Particular Market Situation
  - Comment 2: Differential Pricing Methodology
  - Comment 3: Non-Prime Costs for NEXTEEL
  - Comment 4: Suspended Production Loss for NEXTEEL
  - Comment 5: Billing Adjustments for NEXTEEL
  - Comment 6: Capping of Freight Revenue for SeAH
  - Comment 7: G&A Expense Adjustment for State Pipe & Supply, Inc.
  - Comment 8: SeAH's Constructed Export Price Offset Claim
- V. Recommendation

## Appendix II

### **Review-Specific Average Rate Applicable to Companies Not Selected for Individual Review**

1. AJU Besteel Co., Ltd.
2. Daewoo International Corporation
3. Dong Yang Steel Pipe
4. Dongbu Incheon Steel Co.
5. Dongbu Steel Co., Ltd.
6. Dongkuk Steel Mill
7. EEW Korea Co., Ltd.
8. HISTEEL Co., Ltd.
9. Husteel Co., Ltd.
10. Hyundai RB Co. Ltd.
11. Hyundai Steel Company/Hyundai HYSCO
12. Keonwoo Metals Co., Ltd.
13. Kolon Global Corp.
14. Korea Cast Iron Pipe Ind. Co., Ltd.
15. Kurvers Piping Italy S.R.L.
16. Miju Steel MFG Co., Ltd.
17. MSTEEL Co., Ltd.
18. Poongsan Valinox (Valtimet Division)
19. POSCO
20. POSCO Daewoo
21. R&R Trading Co. Ltd.
22. Sam Kang M&T Co., Ltd.
23. Sin Sung Metal Co., Ltd.
24. SK Networks
25. Soon-Hong Trading Company
26. Steel Flower Co., Ltd.
27. TGS Pipe
28. Tokyo Engineering Korea Ltd.